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Appropriations and Human Services Committee:

The impact of the FLSA regulations governing Home Care effective 1/1/15 specifically with respect to live-in care is astronomical. The recent legislation largely eliminates the overtime exemption and will require this vulnerable population to learn about and comply with these rules.

Homecare agencies are very concerned that the wage increase coupled with the FLSA legislation has created a precarious situation for the Connecticut's frail, disabled and indigent population served via the State's Medicaid waiver. Effective 1/1/15 1400 individuals served in the waiver will have care plans that exceed the State's cost cap. Residents who transitioned from nursing homes will be at risk in the community and without the proper care to remain in the community if the State does not react to the imminent legislation.

What will happen to those 1400 individuals who now receive 24/7 care on 1/1/15? What will happen to future clients who are in need of 24/7 care? Agencies cannot afford the compensation at current Medicaid reimbursement rates.

In 70 days the FLSA legislation goes into effect. If the State of Connecticut does not act by 12/31, although the enforcement of the legislation has been pushed back 6 months, it does not reduce the risk upon audit because the DOL can go back to 1/1/15 and impose fines and penalties for non-compliance.

As a Homecare Agency owner since 1991, I have served the indigent population for over 20 years. I will no longer be able to participate in the PCA Live-in program without an increase in the cost cap and the adoption of Hours Worked as defined by the US DOL, as the CT definition of Hours Worked is not acceptable in its current form.